

UTV-Bauer Digital (B&H) Limited

Annual report and accounts

For the year ended 31 December 2011

Registered number 04404178



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28/09/2012
COMPANIES HOUSE

Directors' report

The directors present their report on the affairs of the company, together with accounts and auditors' report, for the year ended 31 December 2011. The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Principal activity

The principal activity of the company during the period was the operation of a digital radio multiplex under a licence regulated by Ofcom.

Results and dividends

The profit for the period, after taxation, amounted to £187,716 (2010 £219,041).

An interim dividend of £340,000 was paid during the year (2010 £698,191). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the period were as follows:

S Taunton
G Allan
G White
P Collins

Secretary

P Collins

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board,



P Collins
Director

18 September 2012

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of UTV-Bauer Digital (B&H) Limited

We have audited the company's financial statements for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



David Galbraith (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP

Statutory Auditor

Belfast

28 September 2012

Profit and loss account

For the year ended 31 December 2011

	Notes	2011 £	2010 £
Turnover	2	625,009	608,575
Operating expenses	3	(366,154)	(328,428)
Operating profit	5	258,855	280,147
Interest receivable and similar income	4	247	422
Profit on ordinary activities before taxation		259,102	280,569
Tax on profit on ordinary activities	8	(71,386)	(61,528)
Profit for the financial period	13	187,716	219,041

All of the company's activities are continuing

The company has no recognised gains and losses other than the profit stated above, and therefore no separate Statement of Total Recognised Gains and Losses has been presented

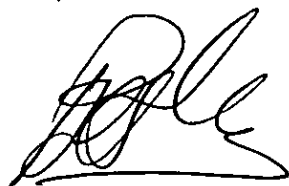
The accompanying notes are an integral part of this profit and loss account

Balance sheet

As at 31 December 2011

	Notes	2011 £	2010 £
Current assets			
Debtors	9	759,187	993,316
Deferred tax asset	10	18,992	21,027
Cash at bank and in hand		54,933	50,180
		<u>833,112</u>	<u>1,064,523</u>
Creditors amounts falling due within one year	11	<u>(533,625)</u>	<u>(612,752)</u>
Net current assets		<u>299,487</u>	<u>451,771</u>
Capital and reserves			
Called-up share capital	12	100	100
Profit and loss account	13	<u>299,387</u>	<u>451,671</u>
Total shareholders' funds	14	<u>299,487</u>	<u>451,771</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 September 2012



P Collins
Director

18 September 2012

The accompanying notes are an integral part of this balance sheet

Notes to the accounts

1 Principal accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption from the requirement of FRS 1 (revised) to present a cash flow statement as it is a small company.

Turnover

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance through the provision of services under its licence. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes.

Operating leases

Rentals under operating leases are charged to the profit and loss on a straight line basis over the lease term, even if payments are not made on such a basis.

Taxation

The tax expense represents the sum of tax currently payable or recoverable in respect of the taxable profit or loss for the period plus any deferred tax charge or credit.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable, and
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Dividends paid

Dividends paid are included in the Company financial statements in the period in which the related dividends are actually paid.

Notes to the accounts

2 Turnover

All turnover arose wholly within the United Kingdom. The directors consider that the business of the company is all of one class.

3 Operating expenses

	2011 £	2010 £
Administration expenses	<u>366,154</u>	<u>328,428</u>

4 Interest receivable and similar income

	2011 £	2010 £
Interest receivable on the net amount owed by group undertakings	<u>247</u>	<u>422</u>

5 Operating profit

Operating profit is stated after charging

	£	£
Hire of plant and machinery under operating leases - plant & machinery	311,757	270,757
Auditors remuneration - audit fees	<u>3,700</u>	<u>3,700</u>

6 Staff costs

The company did not have any employees in the current or prior year.

7 Directors' remuneration

Directors were not paid any emoluments in respect of services to the company (2010 - £Nil)

Notes to the accounts

8 Tax on profit on ordinary activities

The tax charge in the current year has been arrived at as shown below

	2011 £	2010 £
<i>Current tax</i>		
Corporation tax on profits in the period	68,156	82,555
Adjustments in respect of previous periods	1,195	-
	<u>69,351</u>	<u>82,555</u>
<i>Deferred tax</i>		
Decrease/(increase) in deferred tax asset	477	(3,217)
Restatement due to change in future corporation tax rate	1,558	-
Adjustments in respect of previous periods	-	(17,810)
	<u>71,386</u>	<u>61,528</u>

	2011 £	2010 £
Reconciliation of current tax charge		
Profit on ordinary activities before tax	<u>259,102</u>	<u>280,569</u>
Tax on profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.5% (2010: 28%)	68,662	78,559
Timing differences	(506)	3,996
Adjustments in respect of previous periods	1,195	-
	<u>69,351</u>	<u>82,555</u>

9 Debtors

	2011 £	2010 £
Amounts falling due within one year		
Trade debtors	52,773	130,211
Amounts owed by group undertakings	679,221	832,132
Prepayments and accrued income	27,193	30,973
	<u>759,187</u>	<u>993,316</u>

Notes to the accounts

10 Deferred tax asset

The amounts recognised and unrecognised in respect of deferred tax assets are as follows

	Recognised		Unrecognised	
	2011	2010	2011	2010
	£	£	£	£
Timing differences	18,992	21,027	-	=

The deferred tax asset is primarily recoverable in greater than one year

In the emergency budget in June 2010 and in the 2011 and 2012 budgets, changes in future corporation tax rates in the UK have been proposed. As at 31 December 2011 only the revision to 25% from April 2012 has been approved. As the further proposed changes in the UK corporation tax rate have not yet been substantively enacted, deferred tax has been calculated at 25% at 31 December 2011. If the proposed corporation tax rate changes to 24% by April 2012 and of 1% per annum thereafter were to be fully approved and the tax rate reduced to 22% by 2014, the relevant deferred tax assets and liabilities would be restated to £16,651.

11 Creditors amounts falling due within one year

	2011	2010
	£	£
Amounts owed to group undertakings	478,154	409,493
Corporation tax	356	157,050
Other taxation and social security	6,094	-
Accruals and deferred income	49,021	46,209
	<u>533,625</u>	<u>612,752</u>

12 Called-up share capital

	2011	2010
	£	£
<i>Allotted, called-up and fully paid</i>		
20 (2010 - 20) "A" ordinary shares of £1 each	20	20
80 (2010 - 80) "B" ordinary shares of £1 each	80	80
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Notes to the accounts

13 Reserves

	Profit and loss account £
Retained profit brought forward at 1 January 2011	451,671
Profit for the period	187,716
Dividends declared and paid	(340,000)
At 31 December 2011	<u>299,387</u>

14 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	451,771	930,921
Profit for the period	187,716	219,041
Dividends declared and paid	(340,000)	(698,191)
Closing shareholders' funds	<u>299,487</u>	<u>451,771</u>

15 Dividends

	2011 Other £	2010 Other £
Equity dividends on "A" and "B" ordinary shares		
<i>Declared and paid during the year</i>		
Interim dividend for 2011 £3,400 00 (2010 £6,981 81)	<u>340,000</u>	<u>698,181</u>

16 Off balance sheet arrangements and financial commitments

The company has entered into operating lease arrangements for the hire of equipment as these arrangements are a cost efficient way of obtaining the short term benefits of these assets. The rental charges in respect of these arrangements are disclosed in note 5. The company's annual commitments under these arrangements are disclosed below. There are no other material off balance sheet arrangements.

	2011 Other £	2010 Other £
Expiry date		
- in two to five years	<u>327,269</u>	<u>310,284</u>

17 Capital commitments

The company had no capital commitments at 31 December 2011 (2010 - £Nil)

Notes to the accounts

18 Related party disclosures

The company has billed fellow group undertakings and one of its shareholders the following revenues (net of VAT) for the transmission of their digital output on the multiplex

	2011 £	2010 £
<i>Transmission charges</i>		
Pulse FM a trading division of talkSPORT Limited (fellow subsidiary undertaking)	165,746	157,374
Bauer Digital Radio Limited ('A' ordinary shareholder)	<u>165,746</u>	<u>157,479</u>

During the year, the UTV Media plc Group provided management and accounting support to the company for which a management charge was made. In addition banking facilities for the company are provided and managed by the UTV Media plc Group and as part of this process, surplus cash balances within the company are transferred to the UTV Media plc Group. The UTV Media plc Group paid the company interest at a prevailing market rate on the closing intercompany balances created as a result of these transfers and other intercompany transactions

	2011 £	2010 £
<i>Management charges</i>		
talkSPORT Limited	<u>(38,640)</u>	<u>(37,527)</u>
<i>Interest paid and payable</i>		
talkSPORT Limited	<u>247</u>	<u>422</u>

	2011 £	2010 £
<i>Dividends paid</i>		
Bauer Digital Radio Limited ('A' ordinary shareholder)	68,000	79,638
UTV Media (GB) Limited ('B' ordinary shareholder)	<u>272,000</u>	<u>558,553</u>

The corporation tax returns for the company are submitted as part of the UTV Media plc Group. UTV Media plc Group companies provided the company with tax losses thus facilitating a reduction in the company's liability to HMRC

	2011 £	2010 £
<i>Group Relief</i>		
UTV Media (GB) Limited	<u>31,800</u>	<u>-</u>

The following balances (including VAT where appropriate) were outstanding at the current and prior year ends

	2011 £	2010 £
<i>Trade Debtors</i>		
Bauer Digital Radio Limited	<u>17,392</u>	<u>91,706</u>
<i>Intercompany debtor balances</i>		
UTV Media plc	<u>679,221</u>	<u>832,132</u>
<i>Intercompany creditor balances</i>		
UTV Media plc	<u>478,154</u>	<u>409,493</u>

Notes to the accounts

19 Ultimate parent company

The immediate parent undertaking is UTV Media (GB) Limited. The ultimate parent undertaking and controlling party at 31 December 2011 was UTV Media plc, a company incorporated in Northern Ireland. UTV Media plc was the smallest and largest group to prepare consolidated financial statements that include the company for the year ended 31 December 2011. Copies of the consolidated accounts of UTV Media plc are available from its registered office at Ormeau Road, Belfast BT7 1EB.